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behalf of the farmers may in some cases be secured, but the probabilities are that the final results will nevertheless be good. By pushing the system of class legislation to its logical outcome, the *reductio ad absurdum* will be apparent and a reaction must set in.

Farmers have suffered in the past because of their neglect to compete earnestly for their own interests, but now the signs of the times indicate that in all parts of our country they have at last aroused themselves and have begun a movement, the outcome of which will be to secure for them their full share of the products of the national industry and of the advantages of modern civilization.

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THE GRANGE AND THE CO-OPERATIVE ENTERPRISES IN NEW ENGLAND.

In this age of organization there is scarcely a branch of industry not organized in some way for the promotion of its interests. The first strong organization which sought to combine the farmers for common protection, encouragement and enlightenment, was the National Grange of the Patrons of Husbandry, founded in Washington, D. C., Dec. 4, 1867. A National Grange with constitution and ritual was established, then Subordinate Granges. Fifteen Subordinate Granges might themselves organize a State Grange. All were obligated to strict obedience and fealty to the National Grange. In spite of some opposition to it, in this "monarchical" feature of the organization probably lies the secret of the success which has tided the Order over many difficulties.

The Grange owes its origin to Mr. O. H. Kelley, a "plain practical farmer," a clerk in the Agricultural Department at Washington. After the war, President Johnson selected Mr. Kelley to investigate the conditions and needs of the farmers in the South. He returned full of the idea that in order to better their condition, organization must be effected. On consultation with friends interested in the farmer's welfare, the National Grange of Patrons of Husbandry was conceived by Mr. Kelley and six associates. Women were admitted to an equality in membership, thus adding that distinctive feature without which it is claimed the Grange would not be in existence to-day.

The Declaration of Purposes is a broad and worthy one, aspiring to promote all that is best in the mental, moral, social and spiritual development, as well as to advance the material interests of the patrons and more broadly to increase the welfare of all society. Any

Grange, if true to its obligations, cannot be partisan in politics, religion or in any subject involving natural differences of opinion.*

In 1868 Mr. Kelley gave up his government position and started for Minnesota, his home, organizing Granges as he went. In 1873 the first great meeting of the National Grange was held in Georgetown, D. C., at which eleven States were represented. This meeting practically marks the epoch of its permanent organization. Until then the affairs were entirely in the hands of the founders.

The years 1872 to 1875 mark a period of phenomenal growth. In 1873 alone, 13,000 subordinate Granges were organized.† Politicians tried to use it, wild business schemes were engaged in in some parts of the country. Thousands became members who had no interests in farming.

The reason for this extraordinary growth is found largely in the discontents arising from the causes which resulted in the financial crisis of 1873, and from the industrial depression following. The inflation of the currency and the increase in credit through each venture were instruments in building up gigantic speculative operations, which finally resulted in a crash. During the apparent prosperity of trade men were attracted from agriculture to trade. Farm land declined, while city real estate rose. Speculation and "corners" in staple farm products caused great fluctuations in prices, while the prices of farmers' necessities rose.

A further and important reason is found in the disaffections caused by the real and alleged extortion of the railroads. In the West and South the pressure from this cause was naturally greatest, since from these the great shipments of grain are made, and there the growth was largest. In 1875 the Order numbered about 1,500,000 in every section of the country. The Grange, now in the hands of the farmers thus excited over their real and alleged wrongs, was in danger of being perverted from its original educational and social aims.

Just at this time occurred the famous "Granger" railroad legislation, which aroused such interest throughout the country. It was essentially a farmers' movement, but the Grange as a body is not to be held responsible. Since the Grange was then in the zenith of popularity, all acts coming from the farmers were branded as "Granger" without discrimination.‡ However, the Grange does not disclaim an influence in the matter.

* See Section 5 of the "Declaration of Purposes."

† N. J. Bureau of Statistics, Ninth Annual Report, p. 336.

‡ Mr. C. W. Preisens says, "In spite of the assertions of Mr. C. F. Adams and others, it can be shown that the Grange was not responsible for the Illinois legislation. When the constitution of 1870 and the law of 1871 were passed, the Grange

Vast business enterprises were engaged in.* But enterprises in the hands of unskilled and often unscrupulous hands, failed. The financial benefits lost, those who had entered for purely selfish motives rapidly withdrew, and the order assumed nominal proportions. Mr. Preisen (1888) says, "the Grange still lives but its glory is departed." Yet it seems that the part that will give the truer glory still remains to teach the farmer to be more scientific and business-like in his methods of work, more alive to his own best interests and those of the community.

The true prominence of the educational features as conceived and reiterated by the Grangers themselves is emphasized by the master of the New York State Grange (1891): "These financial gains or savings are more than gratifying to our members, yet they pale into insignificance in comparison with the educational benefits of our beloved order. . . . We hold that education should ever be accorded the most prominent place in our Grange deliberations, and that no pains should be spared by our Grange educators to impress this truth, that the success and perpetuity of our order must and will depend upon the intelligence of its membership." †

Perhaps no better idea of the work the Grange has accomplished and claims to have been instrumental in accomplishing can be gained than from the proclamation issued by the National Grange on the occasion of its twenty-fifth anniversary (1891).

After mentioning its work in organization, influence in broadening the sphere of woman, and the influence upon the home, the proclamation states that the Grange has:

"5th. Prevented the renewal of patents on sewing machines, thus saving to the people fifty per cent of their cost, which amounts to millions annually.

"6th. Transportation companies were taught that the creator is greater than the creature. See Granger cases decided by the Supreme Court of the United States.

"7th. Had passed and have enforced oleomargarine law.

"8th. Have passed laws somewhat restricting alien landlords and corporations from getting government land.

"9th. Had interstate commerce law passed.

"10th. Had cabinet position created for agriculture, thus giving the President's cabinet a representative of the parent of all vocations.

had scarcely a foothold in the State. The State Grange was organized March, 1872. "Outcome of the Granger Movement." *Popular Science Monthly*, vol. xxxii, p. 206.

* In 1876, the Order was said to own "five steamboat or packet lines, thirty-two grain elevators and twenty-two warehouses."—*Ibid* p. 371.

† "Education is the great central object of our Order." Worthy Master J. H. Brigham, National Grange, *Journal of Proceedings*, 1892.

"11th. Has had agricultural colleges, experiment stations, and farms and Farmers' Institutes established in many States of the Union.

"12th. Has had some effect in local and State tax levies and established State Arbor Day.

"13th. Has caused the reform ballot law to be passed in many States.

"14th. Has increased the State appropriations for public schools.

"15th. Has at all times fostered the cause of free education.

"16th. Local achievements, such as building halls, making roads, planting trees and vines, establishing libraries, reading rooms, banks, fire insurance companies, co-operative enterprises, etc., too numerous to mention, might be cited."

Some of the public questions which the organization at present is interested in agitating are:

Passage of measures to prevent adulteration of food. Passage of the Washburn-Hatch bill. Free delivery of mail to rural population. Non-irrigation of the arid lands of the West by the government, on the ground that the lands are not yet needed.* The securing of laws to remedy unequal taxation. Promotion of interest in agricultural colleges. Action for better roads, etc.†

Naturally the Grange first declined as a power in the West and South where its growth had been most phenomenal. During its decadence other associations of farmers, with similar purposes, though avowedly with more political aims, arose, chiefly the Farmers' Alliance. But its strongest foothold seems to be taken in New England and the Middle States where the educational and social features are most emphasized. In New England at the present time the Order is steadily growing. In 1886 it numbered there between 25,000 and 30,000.‡ Rhode Island was not then represented.‡ In 1892 the membership was about 50,000.||

As has been stated the development of the Grange in New England has come since the period when financial interests were the prime inducements for organization. Hence its distinctive features have remained educational and social. At the present time, however, interest in co-operative enterprises seems quite strong. A committee reporting to one of the New Hampshire State Granges expresses the

* National Grange, *Journal of Proceedings*, 1892. Worthy Master, J. H. Brigham.

† See reports of the various committees in the State Granges.

‡ E. W. Bemis, "Co-operation in New England." *Papers of American Economic Association*. vol. i, p. 353.

§ C. W. Preisen, "Outcome of the Granger Movement." *Popular Science Monthly*, vol. xxxii, p. 201.

|| Compiled from report of National Granges and reports of the State Granges.

feeling thus: "In these days of low prices and pushing unscrupulous competition we find the mind of the farmer opening to the idea of co-operation with a degree of receptivity and appreciation never before observable in men of his calling."

Again and again in looking through the reports of the various Granges we find the opinion that "those Granges that are the most active in co-operative business are the strongest in every point." The reason for this is not difficult to see, for the spirit, "push" and business ability which would make men successful in these enterprises, must needs make them active in the wider work of the Grange.

Perhaps no class is more at the mercy of the middleman than the farmer. The prices of those things which he buys are largely controlled by custom (unless he live near some large business centre, and the majority do not), while the prices of what he sells, his grain, cattle, sheep, wool, fruit, etc., are sold at the competitive prices of a world market. His distance from trade's centres where competition keeps prices near the minimum, is a reason, then, why he desires especially the benefits of consumptive co-operation. Yet the very fact of the farmer's isolation is one of the chief obstacles to co-operative enterprises among them. Another hindrance to the co-operative spirit is the extreme individualism in the farmer's character, found particularly in New England, as writers upon New England character never tire of reiterating. Upon these conditions the Grange has power to exert a considerable influence. First it overcomes, in a measure, the farmer's isolation, by making him a unit in the one central organization, and further, by discussing common interests and plans for common improvement with his neighbors, his sympathies are broadened and his interests become less self-centred.

While these influences only partially remove the hindrances due to situation and character, practical difficulties are also to be met in the direct operation of the schemes.

Suppose, first, the co-operative store to be conducted on the plan of general country stores, buying a farmer's small products as well as retailing to him necessaries. Even then there will be the temptation to trade elsewhere, if business or other interests takes the farmer to another place—and often the advantage gained by buying or selling at a co-operative store cannot compensate for time and inconvenience involved in making extra trips, when the trading may be done in connection with other business. If the store retail goods only, the objections become more weighty, since the average farmer depends largely upon the exchange of his butter, cheese, eggs, etc., for his necessary groceries, while his cash is used in purchasing clothes, furnishings, implements and the like. Hence it may be far more to his advantage

to buy where he can sell his small products, even though he get a discount at a co-operative store. Where the Grange employs a purchasing agent the same objections hold as with the retail store, except that inconveniences are apt to be more accentuated, and less provision for a latitude of tastes is possible.

If strong co-operative stores, under good management and conducted on strictly business principles, were instituted in the beginning, this phase of co-operation might seem more hopeful. But in farming communities it seems that it can be little hoped that present self-interest will be sufficiently sacrificed to surmount the difficulties in small enterprises, or that capital and support will be given to large enterprises at once.

Co-operation among the New England Granges has been confined almost entirely to the buying of commodities and to fire insurance. The subject of co-operative marketing is being discussed with some confidence, particularly the marketing of staple products. One year, at least, the New Hampshire State Grange employed an agent to ship the apples of Patrons to England, but without great success since the Patrons were too fearful of the venture.

The method of co-operative buying most prevalent in New England is that by trade discounts or trade lists. The State Granges make arrangements with certain large manufacturers and wholesale firms for discounts on cash payments. Each subordinate Grange chooses a purchasing agent who receives the lists and makes the purchases. The agents and members receiving the discount are bound to keep the discounts secret. Another analogous method is to furnish members with "trade cards," on presentation of which to the firms under contract with the State Grange, discounts are allowed. This method is employed largely in Vermont, Rhode Island and Connecticut, while Massachusetts has mere purchasing agents and Maine has its Grange store.

The results of these enterprises, as reported to the several State Granges, is as follows:

In New Hampshire but little has yet been done though considerable interest is manifested. In 1891 the Richdale system was urged upon the attention of the Granges as combining the buying and marketing features, and as a system toward which it was advisable to work, adopting trade cards in the meantime.

Vermont reports only a beginning in co-operative buying, with a fair degree of interest.

Of the success and extent of enterprises in Rhode Island, we have been unable to obtain any definite knowledge. Probably little is done, as the Grange has not been long instituted there. Trade cards are used to some extent, however.

In Massachusetts the Executive Committee of the State Grange reports as follows in 1891: "Co-operation—the trade problem—is as yet unsolved, and we have thought the matter over carefully and we would recommend that each Subordinate Grange place more confidence in their purchasing agent." Of ninety-four Granges reporting to the State Grange in 1891, six only report co-operative buying. In 1892, seven out of ninety-eight report some co-operative buying. Only two of the seven Granges are identical with those reporting in 1891. Of these Manhan Grange, in 1891, reports a buying to the amount of \$3000, with a membership of 102; in 1892, with a membership of 110, it reports a business amounting to \$2500. Dudley Grange, with 125, reports business to amount of \$4654 in 1891, but makes no report in 1892. At Westport the Grange Co-operative Union Store sold about \$7000 worth of goods in 1891, and Patrons received four per cent rebate on the amount of their trade. The Grange numbers ninety-two members.* Such isolated facts can only be used as broad indications. They seem to justify the conclusions that co-operation is not a strong power in these Granges, or we should hear more of it in their reports. They would seem to indicate also that the enterprises were not of a very long standing.

In Connecticut the results are reported as not very encouraging. In 1891 the Executive Committee complained that Patrons gave away prices and discounts and loaned their trade cards. † In 1892 the same committee reports that replies to circulars sent out to Granges and trading houses as to the satisfactoriness of business relations have been rather disheartening. "We find in these relations too little harmony and co-operation existing between Patrons and those parties with whom we have negotiated for mutual benefit." An attempt has been made to organize Grange stores, but interest was slight and no money was pledged. The committee advocated a stock company of small shares.

Maine furnishes no definite reports, and we may conclude that co-operative enterprises have little vitality there. The State Grange has a store at Portland which is said to have never failed to pay six per cent interest on the stock. The executive committee for 1891 state that the volume of trade has been increasing steadily, and the working capital is turned over about six times in a year.‡ It merits

* Massachusetts State Grange. *Journal of Proceedings*, 1892. Report of Master of Westport Grange.

† Connecticut State Grange. *Proceedings*, 1891. Report of the Executive Committee. They state that many cards had to be withdrawn. "In every case, as far as possible to learn, the fault was with the Patron."

‡ This store was organized in 1877; had a capital of about \$50,000 in 1886, with a trade of about \$175,000. E. W. Bemis, "Co-operation in New England," p. 354.

the confidence of banks and business men in Portland. Its one great obstacle is lack of sufficient capital to enable the managers to buy large quantities at the best advantage, showing that patrons do not give the support their interests demand.

The strongest co-operative enterprises of the Grange in New England are the fire insurance companies. Connecticut, New Hampshire and Massachusetts each have one. The Connecticut Patrons' Mutual Fire Insurance Company was organized in 1888. In 1892 there were about 1000 policies out, representing a risk of about \$1,600,000. In 1891 alone, policies to the amount of \$552,926 were taken out.* The first assessments were made in 1892, and this owing to the unusually heavy losses from lightning. The Massachusetts Fire Insurance Company began business in 1887. In 1890, it reports 1050 policies in force, covering \$1,187,586 worth of property. The New Hampshire company is the strongest. In 1892 it had 1600 policies, covering insurance to the amount of \$2,200,000, as against 1399 policies in 1891, covering risks amounting to \$1,872,677.17. No assessments have been necessary.

The rate of insurance is one-half of one per cent for three years—less than one-half the ordinary rates.

It is to be noted that few attempts at co-operation of long standing have been found. The Maine State Grange Store has been in operation longest, about sixteen years. It is also to be noted that the enterprises thus far attempted have been, in the main, of the simplest character. The difficult problems in co-operation have scarcely been touched. The financial gains, all told, cannot be very considerable; but these attempts are certainly of important educational character, as they stimulate interest in the questions before the people, and teach the farmers by practical experience the difficulties attending the application of some of the panaceas for the workingman's woes.

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THE PENNSYLVANIA TAX CONFERENCE.

By an Act of the Legislature of Pennsylvania, passed May 25, 1889, a commission consisting of eight members was created "to prepare a uniform revenue law covering both State and local taxation, and to report the same to the next legislature." This commission consisted of the Auditor-General, one representative of the county commissioners, two experts on financial questions, and one representative of each of the following industrial interests in the State: manufacturers,

* Connecticut State Grange. Proceedings, 1892. Report of Patrons' Mutual Fire Insurance Company.